



KATHLEEN BABINEAUX BLANCO  
GOVERNOR

*State of Louisiana*  
DIVISION OF ADMINISTRATION  
OFFICE OF RISK MANAGEMENT

JERRY LUKE LEBLANC  
COMMISSIONER OF ADMINISTRATION

May 15, 2006

**AMENDMENT NO. 1  
REVISIONS  
ISSUED BY THE DIVISION OF ADMINISTRATION-  
OFFICE OF RISK MANAGEMENT**

**Bid Proposal No.: FEC-19**

**FOR:** **Section I:** Excess Following Form All Risk (All Perils, Excluding Flood) Building and Personal Property Coverage for All Louisiana Properties (Buildings and Contents). Flood Coverage included only on the Properties NOT included in Section II.

**Section II:** Flood Coverage for All Louisiana Properties (Buildings and Contents) that are located in flood zones A and V south of the I-10/I-12 corridor, excluding Baton Rouge and Lafayette city limits, and those properties previously damaged by flood in a prior declared disaster.

**Section III:** Elevation Certificates issued by a qualified land surveyor, engineer, or architect for those properties in Section II

**Bid Opening Date:** May 25, 2006 10:00 A.M.

This amendment provides for clarification and additional information. **This amendment must be signed and returned.**

If you have any questions concerning this amendment, please call Melissa Harris at (225) 342-8414.

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Bidder/Contractor Signature

**Revision 1**

IFB Reference: Schedule A, Underwriting Information, Additional Page  
Page No.: 33A of 152

Hurricane Katrina and Hurricane Rita summarized loss information has been added to this section.

**Revision 2**

IFB Reference: Part IV, General Bid Information, Items 6.1.4.2, 6.1.4.4, 6.1.4.5 and 6.1.4.6  
Page No.: 17 of 152

A definition of declared disaster has been included in Item 6.1.4.2 for clarification purposes.

The third paragraph of 6.1.4.4 has been clarified to state that the \$75,000,000 excess flood coverage will apply above the self-insured retention, either \$25,000,000 OR \$50,000,000 (in the event of a declared disaster).

A new 6.1.4.5 paragraph has been inserted regarding the application of the self-insured retention in relation to the excess layers. The original 6.1.4.5 has been changed to 6.1.4.6.

**Revision 3**

IFB Reference: Schedule B, Policy Forms, Policy Change No. 1  
Page No.: 51 of 152

The definition of declared disaster has been included in the underlying self-insurance policy also.

**Revision 4**

IFB Reference: Schedule B, Policy Forms, Endorsement No. B, Miscellaneous Changes  
Page No.: 144 of 152

The term "blanket" has been removed from this endorsement in its entirety.

**Revision 5**

IFB Reference: Part IV, General Bid Information  
Page No.: 20 of 152

The award wording in bold has been revised to specify that ORM has the right to purchase, or not to purchase, any layer and/or section based on the price quoted. In addition, the original \$200,000,000 has been clarified as \$175,000,000 (excess of the \$25,000,000 SIR).

**Revision 6**

IFB Reference: Exhibit I, Bid Quotation Form  
Page No.: 21 and 21a of 152

The quotation table for Section I has been revised to allow for contractor-defined layers. The bid will continue to be awarded based on the total premium of the first \$200,000,000 no matter how the program is layered. In addition, the \$200,000,000 total has been clarified as \$175,000,000 excess of the \$25,000,000 SIR.

The bolded wording below the table has been revised to specify that ORM has the right to purchase, or not to purchase, any layer and/or section based on the price quoted.

Page 21a is added to include a cost quotation section for the Engineering Services requested in Part II, Technical Specifications, Item 6.2.

**Revision 7**

IFB Reference: Exhibit II, Rates  
Page No.: 23 of 152

The rates table for Section I has been revised to allow for contractor-defined layers to correspond with Exhibit I.

Section II rate table has been removed and replaced with wording referring to the NFIP rate schedule. No value entry is needed here.

**Revision 8**

IFB Reference: Part IV, General Bid Information, Items 6.2 and 6.2.1.1  
Page No.: 18 of 152

The description of the flood coverage requested has been clarified with additional NFIP wording.

Building List #1 has been amended to include Dept. of the Military buildings. The revised spreadsheet has replaced the original at the website [www.doa.la.gov/orm/uwnewbid.htm](http://www.doa.la.gov/orm/uwnewbid.htm). A hard copy is NOT included in this amendment.

**Revision 9**

IFB Reference: Part IV, General Bid Information, Items 6.2.2, 6.2.6, 6.2.4, 6.2.5  
Page No.: 19 of 152

Pre-FIRM flood policies may be made effective on July 1, 2006, if possible, but no later than July 15, 2006. All other flood policies requiring elevation certificates can be made effective as soon as possible after July 1, 2006.

In items 6.2.2 and 6.2.6, it is understood flood coverage cannot be "bound", so the language has been revised for clarification purposes.

The last sentence in Item 6.2.5 referring to flood rates has been deleted. See Revision #6.

**Revision 10**

IFB Reference: Schedule B, Policy Forms  
Page No.: 118 of 152

The Special Flood Form in the self-insurance policy has been revised to include all types of building structures, including residences and condominiums in addition to the commercial buildings.

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**D. HURRICANES KATRINA AND RITA LOSSES (AS OF 5/2/2006)**

Most claims are categorized as both wind and flood until a more accurate determination can be made. The ORM self-insured retention of \$25,000,000 applies separately to each occurrence.

**Hurricane Katrina** (8/29/2005 CAT 49)

Losses due to Katrina have exceeded the excess policy limits.

Net Losses Incurred by ORM	Total Losses Incurred by Commercial Company	Number of Claims
\$1,201,094,750	\$475,000,000	1,291

**Hurricane Rita** (9/24/2005 CAT 51)

Estimated Losses Incurred by ORM	Losses Paid by ORM as of 5/2/2006	Estimated Losses Incurred by Commercial Company	Number of Claims
\$29,467,760	\$6,154,307	\$4,467,760	762

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stated valued for such property as is shown in the latest Schedule of Property Values or other documentation on file with the Office of Risk Management, nor shall liability exceed any specific Limit of Insurance applying to any insured loss, coverage or location(s). The only exceptions being the following:

- Movable building structures will be afforded coverage on an actual cash value basis.
- Personal property purchased through the Louisiana Public Facilities Authority or the Third Party Financing Master Installment Purchase Agreement **must** be insured as indicated in Schedule A of these specifications.

**6.1.4.2** If a covered property has been damaged in a prior “declared disaster” and has received public assistance through FEMA (other than flood), the excess policies will pay on those properties first up to the amount of the previous loss reimbursed through FEMA. See 44 CFR Part 206. 253, items (b)(2) and (c).

Example: Building Replacement Cost is \$10,000 and the amount of damage reimbursement from FEMA was \$1,000, then the policy will pay up to \$1,000 on this property first if damaged in another declared disaster.

For the purposes of this bid and the excess coverage requested, “declared disaster” includes all loss or damage occurring during a period of 72 consecutive hours which is caused by or results from a storm or weather disturbance which is named by the National Weather Service or any other recognized meteorological authority and/or assigned a catastrophe code number by the National Weather Service or other proper authority. Storm or weather disturbance includes all weather phenomenon associated with or occurring in conjunction with the storm or weather disturbance, including, but not limited to, flood, wind, hail, sleet, tornadoes, hurricane or lightning.

**6.1.4.3** The Business Income and Extra Expense Coverage, found in the underlying self-insurance policy forms and endorsements in Schedule B of these specifications, is limited to 20% of the self-insured retention (\$5,000,000) per occurrence. This coverage in the excess policy layers is to be limited to 20% of the total amount of insurance purchased.

**6.1.4.4** The flood/earthquake coverage in Section I will apply to only those properties NOT included in Section II. Those properties that are located north of the I-10/I-12 corridor, including Baton Rouge and Lafayette city limits, and which were not previously damaged by flood in a prior declared disaster must be included.

Properties south of the I-10/I-12 corridor, with the exclusion of Baton Rouge and Lafayette city limits, NOT covered by an individual flood policy, will be provided coverage in the underlying self-insurance policy (reflected in the water damage and flood coverage endorsement, BP004, Item A., in Schedule B of these specifications), BUT COVERAGE IS TO BE EXCLUDED IN THE EXCESS POLICIES.

This flood/earthquake limit **shall** be \$75,000,000 excess of the \$25,000,000 or \$50,000,000, respectively, self-insured retention per occurrence with a \$75,000,000 aggregate for each annual policy period. Flood exposure data can be found in Schedule A of these specifications. This \$75,000,000 aggregate limit does not apply separately for each peril. All covered loss resulting from the perils of flood and earthquake would apply to the aggregate.

**6.1.4.5** The following wording, or its equivalent, will be acceptable in all excess layers: “It is understood and agreed that payments by Louisiana ORM for flood losses occurring south of the I-10/I-12 corridor, with the exclusion of the city limits of Baton Rouge and Lafayette, will not contribute toward the erosion of the self-insured retention of either \$25,000,000 in the event of a non-declared disaster OR \$50,000,000 in the event of a declared disaster.”

**6.1.4.6** The underlying self-insurance policy in Schedule B of these specifications uses the ISO Exclusion of War, Military Action and Terrorism Form (IL 09 41 01 02). The following terrorism wording, or equivalent, will be acceptable in all excess layers:

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## POLICY CHANGE NUMBER 1

(This Endorsement Changes the Policy. Please read Carefully)

### Coverage Parts Affected:

Form **CP 00 10 06 95** – Building and Personal Property Coverage Form is amended/changed as indicated below:

### AMENDMENTS/CHANGES

#### Declarations Page, Coverage Provided Section, Limits of Insurance

"Declared Disaster" includes all loss or damage occurring during a period of 72 consecutive hours which is caused by or results from a storm or weather disturbance which is named by the National Weather Service or any other recognized meteorological authority and/or assigned a catastrophe code number by the National Weather Service or other proper authority. Storm or weather disturbance includes all weather phenomenon associated with or occurring in conjunction with the storm or weather disturbance, including, but not limited to, flood, wind, hail, sleet, tornadoes, hurricane or lightning.

#### Page 1 of 11 through 11 of 11

Throughout this form the words "within 100 feet" are hereby amended to read "within 1000 feet".

#### Page 2 of 11, Item No. A, 2, i.

The verbiage "Personal property while airborne or waterborne" is hereby deleted.

#### Page 2 of 11, Item No. A, 2, j. is hereby deleted in its entirety.

#### Page 2 of 11, Item No. A, 2, o.

The following verbiage replaces that previously shown in its entirety:

"o. Vehicles or self-propelled machines (including aircraft, or watercraft over twenty-six feet in length) that:

- (1) Are licensed for use on public roads;
- (2) You do not manufacture, process, warehouse or hold for sale. But this paragraph does not apply to rowboats or canoes out of the water at the described premises;

This exclusion does not apply to Ultra-Light aircraft."

#### Page 2 of 11, Item A, 2, p.

The following verbiage replaces that previously shown in its entirety:

"P. The following property while outside of buildings:

- (1) Grain, hay, straw or other crops. However coverage is provided for harvested crops while in transit within a fully enclosed

mobile agriculture vehicle or a fully enclosed motor vehicle.

- (2) Trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions."

#### Page 4 of 11, Item No. A, 5, b. (Personal Effects and Property of Others)

The following verbiage replaces that previously shown in its entirety:

#### b. Personal Effects and Property of Others.

You may extend the insurance that applies to your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or your employees. This extension does not apply to loss or damage by theft.

The most we will pay for loss or damage under this Extension as regards Paragraph Number 1 above is \$2,500 at each described premises.

- (2) We will pay those sums that the insured becomes legally obligated to pay as damages because of damage to personal property of others in your care, custody, or control to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under supplementary payments.

Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

#### Page 4 of 11, Item No. A, 5, d. (Property Off-Premises)

The following verbiage replaces that previously shown in its entirety:

#### "d. Property Off-Premises

You may extend the insurance provided by this Coverage Form to apply to your Covered Property, other than "stock", that is temporarily at a location you do not own, lease, or operate."

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**All Purpose Endorsement**

**Endorsement Number: B**

**Miscellaneous Changes**

**(This Endorsement Changes the Policy. Please Read Carefully.)**

**It is agreed that the following changes are applicable to this policy.**

1. **Coverage** provided by the aforementioned policy applies to all properties owned by the State of Louisiana or for which the State of Louisiana has assumed liability; including, but not limited to, locations identified in the Schedule of Locations and Values on file with the State of Louisiana, Office of Risk Management.
2. Loss or damage to "**Mobile Equipment**" (any vehicle not required to be licensed by the motor vehicle law of Louisiana) is insured by this policy.
3. The terms "**Coverage Territory**" or "**Territorial Limits**" as shown in this policy or on forms attached thereto are amended to read:  

"Worldwide without restrictions."
4. **Extra expense** coverage as defined in Form **CP 00 30 06 95** will apply regardless of whether or not the insured entity produces, receives, or has business income.
5. The "**Suit Conditions**" in this policy are set aside and shall be inoperative to the extent that they are in conflict with the following verbiage:  

"No suit or action on this policy for the recovery of any claim shall be sustainable in any court of law or equity unless all the requirements of this policy shall have been complied with, and unless commenced within twenty-four months next after inception of the loss."
6. The "**Appraisal Conditions**" in this policy are set aside and shall be inoperative to the extent that they are in conflict with the following stipulation which shall apply if the insurance companies (or ORM) disagree in circumstances of the kind described:

If the insurance company (or ORM) issuing the Property Policy and the insurance company issuing the Builders Risk Policy fail to agree as to which policy covers the loss, or as to settlement of coverage that overlaps, or as to the value of the property or the amount of loss, either insurance company (or ORM) may make written demand for an appraisal of the matter in disagreement. Each insurance company (or ORM) will then select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the demand.

The two appraisers will select a competent and impartial umpire. The appraisers will then identify the policy under which the loss is insured, and if necessary state separately the value of the property and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision or an award in writing of any two shall determine the policy under which the loss is insured and if necessary the value of the property and amount of loss.

Each insurance company (or ORM) will pay its chosen appraiser and bear other expenses of the appraisal and umpire equally.

The insurance companies concerned (or ORM) agree that the decision of the appraisers and the umpire (if an umpire is required) will be binding and final and that neither party will resort to litigation nor institute a lawsuit.

7. The guidelines set forth in this policy as regards the **time limitation to render a proof of loss** are set aside and shall be inoperative to the extent that they are in conflict with the following verbiage:

The insured shall render to this company a proof of loss within 365 days after the loss, unless such time is extended in writing by this company.

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provided to ORM in an approved format. **The ORM building ID, agency name and ORM agency number must be noted on all documentation.**

- 6.3.1 Elevation certificates (using FEMA Form 81-31, February 2006) on all properties identified in Section II that require an elevation certificate to purchase flood insurance are expected to be completed by 9/1/2006. The contractor must keep ORM informed of the progress of the surveys on a weekly basis and report any problems immediately. ORM has the right to amend this date based on the progress reports from the contractor. A copy of the elevation certificate form and instructions can be found at [www.doa.louisiana.gov/orm/uwnewbid.htm](http://www.doa.louisiana.gov/orm/uwnewbid.htm).
- 6.3.2 ORM will provide to the successful contractor a list of state agencies and contact personnel to assist in the physical location of buildings requiring elevation certificates.
- 6.3.3 **The cost for this service will be submitted as shown in Section III of Exhibit I, Bid Quotation Form. Rates per unit of exposure must also be submitted in Section III of Exhibit II, Rates.**

The entire bid (Sections I, II and III) will be awarded based on the quoted Net Annual Installment Premium of Section I for all layers up to and including \$175,000,000. ORM reserves the right to purchase, or not to purchase, any layer(s) and/or Section(s) of this bid at the cost quoted on the awarded bid. For example, ORM may choose not to purchase any coverage quoted in Section I, but may elect to purchase Sections II and III. If a quotation does not include premiums for layers up to and including \$175,000,000, then the bid will be disqualified.

The contractor who receives the award based on the above criteria will be responsible for the insurance and services required in Sections II and III of this proposal.



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**EXHIBIT I**  
**BID QUOTATION FORM**

**SECTION I**

Excess Following Form All Risk (All Perils, Excluding Flood) Building and Personal Property Coverage for All Louisiana Properties (Buildings and Contents). Flood Coverage included only on the Properties NOT included in Section II effective July 1, 2006 with two one-year options to renew at the same rates.

**SINGLE LAYER QUOTATION**

LAYER	Indicate Coverage Layer	<sup>1</sup> Total Annual Installment Premium (Including any policy Tax, surplus tax, Policy fees, etc.)	<sup>2</sup> Less Commission Return (Per LA R.D.39:1632)		<sup>1</sup> Net Annual Installment Premium
	Layer 1 must attach at \$25,000,000 SIR level			( %)	
1				( %)	
2				( %)	
3				( %)	
4				( %)	
5				( %)	
6				( %)	
7				( %)	
8				( %)	
9				( %)	
10				( %)	

<b>TOTAL OF 1<sup>ST</sup> \$175,000,000 OF COVERAGE ** :</b>	
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**\*\* The entire bid (Sections I, II and III) will be awarded based on the quoted Net Annual Installment Premium of Section I for all layers up to and including \$175,000,000. ORM reserves the right to purchase, or not to purchase, any layer(s) and/or Section(s) of this bid at the cost quoted on the awarded bid. For example, ORM may choose not to purchase any coverage quoted in Section I, but may elect to purchase Sections II and III. If a quotation does not include premiums for layers up to and including \$175,000,000, then the bid will be disqualified.**

**The contractor who receives the award based on the above criteria will be responsible for the insurance and services required in Sections II and III of this proposal.**

<sup>1</sup>In the event the percentages of policy tax, or surplus lines tax or other taxes increase due to changed legislation, the bidder(s)/contractor(s) **shall** absorb the increases as the State cannot pay more than the amounts quoted on the successful bid except in the instances of increased coverage.

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<sup>2</sup>For explanation refer to PART II - Technical Specifications, Subsection 1, General Specifications, Paragraph 1.10 and PART IV - General Bid Information, Subsection 2, Pricing Information, Paragraph 2.4. **Bidder/Contractor must reflect percentage of total premium which will be returned to the State.**

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## ENGINEERING SERVICES QUOTATION

(See Part II, Technical Specifications, Item 6. Engineering Services, page 11 of 152)

Total Cost of Requested Services

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**EXHIBIT II**

**RATES**

**SECTION I**

Excess Following Form All Risk (All Perils, Excluding Flood) Building and Personal Property Coverage for All Louisiana Properties (Buildings and Contents). Flood Coverage included only on the Properties NOT included in Section II.

**SINGLE LAYER QUOTATION**

The bidder/contractor shall indicate below the rate(s) per unit of exposure corresponding to premium layers indicated on EXHIBIT I.		
Layer	Indicate Coverage Layer	Rate
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

**SECTION II**

Flood Coverage for Louisiana Properties (Buildings and Contents) that are located in flood zones A and V south of the I-10/I-12 corridor, excluding Baton Rouge and Lafayette city limits, and those properties previously damaged by flood in a prior declared disaster.

The appropriate rate per building will be determined by the National Flood Insurance Program rate schedules, generally updated annually each May.

**SECTION III**

Elevation Certificates issued by a qualified land surveyor, engineer, or architect for those properties in Section II

**Per Building Survey Rate**     \$ \_\_\_\_\_

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with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

6.1.4.6 Quotation is to be based on the total insurable value of \$11,607,405,873 as reflected in Schedule A of these specifications, as of 3/15/2006.

6.1.4.7 **Quotations by layer will be submitted as shown in Section I of Exhibit I, Bid Quotation Form. Rates per unit of exposure must also be submitted in Section I of Exhibit II, Rates.**

6.1.4.8 Policy of insurance **shall** include the *General Required* and *Special Required Endorsements* reflected in Part Two of these specifications.

6.1.4.9 Named Insured and Address.

State of Louisiana, All Agencies, Boards and Commissions  
c/o Office of Risk Management  
Post Office Box 91106  
Baton Rouge, Louisiana 70821-9106

6.1.4.10 Premises Insured

All properties owned by the State of Louisiana or for which the State of Louisiana has assumed liability; including, but not limited to, locations identified in the Schedule of Property Values on file with the State of Louisiana, Office of Risk Management.

**6.2 SECTION II - Flood Coverage for Louisiana Properties (Buildings and Contents) that are located in flood zones A and V south of the I-10/I-12 corridor, excluding Baton Rouge and Lafayette city limits, and those properties previously damaged by flood in a prior declared disaster.**

The contractor shall provide coverage through an individual National Flood Insurance Program (NFIP) or equivalent policy, including building and contents, for all eligible Louisiana Properties, as defined by National Flood Insurance Reform Act, located in flood zones A and V south of the I-10/I-12 corridor, excluding Baton Rouge and Lafayette city limits, and those properties previously damaged by flood in a prior declared disaster, as defined under the National Flood Insurance Reform Act of 2004. **The ORM building ID, agency name, and ORM agency number must be noted on all policies.**

6.2.1 The Building Lists can be found at [www.doa.louisiana.gov/orm/uwnewbid.htm](http://www.doa.louisiana.gov/orm/uwnewbid.htm). They do not have to be returned with the bid quotation.

6.2.1.1 **Building List #1** are the buildings that had flood damage in Hurricanes Katrina and/or Rita and, generally, will be built back or renovated. The highlighted buildings on this list will NOT be built back and will be demolished as of this date. The State does not want flood coverage on these structures. They are being left on the schedule for tracking purposes and if the decision to demolish changes in the future. The non-highlighted buildings on this list are to be prioritized for coverage first.

6.2.1.2 **Building List #2** lists ALL buildings on file as of this date in the 25 parishes on or below I-10/I-12. This list includes those buildings found in List #1, but also others that did not sustain flood damage in Katrina or Rita. The buildings on this list, NOT found in List #1,

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and that are in Special Flood Hazard Zones of A and V are to be prioritized for coverage after the majority of List #1 are in process.

- 6.2.2 Flood policies for the pre-FIRM properties must have effective dates on or before July 15, 2006. The other properties that require an elevation certificate will be effective as soon as possible on or after July 1, 2006. The contractor must keep ORM informed of the progress of the policy acquisitions on a weekly basis and report any problems immediately.
- 6.2.3 The contractor will be responsible for providing the following services and providing documentation to ORM in an approved format:
  - 6.2.1.1 Preparing Excel spreadsheets with the relevant policy information so ORM can upload the data into our internal risk management system;
  - 6.2.1.2 Monitoring the expiration and renewal of the policies and providing ORM documentation in approved format for each renewal;
  - 6.2.1.3 Providing ORM the ability to batch-process the individual invoices and issue one check for the total amount of the batch;
  - 6.2.1.4 All flood policies issued after July 1, 2006 will be short-term cancelled and re-issued with an effective date of July 1, 2007.
  - 6.2.1.5 As additional properties are identified and/or added, the contractor will provide the necessary services and bind coverage according to the rates provided in Exhibit II, Rates.
- 6.2.4 Each individual policy, endorsements, additional policies and cancellations must meet the requirements of the National Flood Insurance Program, as prescribed in rules and regulations of the Federal Emergency Management Agency (FEMA) in 44 C.F.R. parts 59, 60 and 74, effective October 1, 1986. Flood insurance under this policy shall apply according to the Statutory Limits for All Classifications under the Federal Program.
- 6.2.5 **Estimated Flood Deposit Premium will be submitted as shown in Section II of Exhibit I, Bid Quotation Form.** The contractor **must** provide a list of buildings, derived from Buildings List #1 and #2 provided with these specifications, which were used to develop the Estimated Flood Deposit Premium. This list will be used for tracking, premium payment, and verification purposes within ORM.
- 6.2.6 The contractor shall maintain these policies until the expiration of the thirty-six month contract period or until a new contract is awarded. The contractor under the new award shall renew and maintain all current policies and effect coverage on additional buildings when needed.

**6.3 SECTION III - Elevation Certificates** issued by a qualified land surveyor, engineer, or architect for those properties in Section II.

The contractor shall obtain the flood elevation certificates through a land surveyor, engineer, or architect authorized by law to certify elevation information on all properties required to have an elevation certificate to purchase flood insurance. Documentation, including the GIS coordinates, current flood zone, and the elevation survey itself, on each building must be

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PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*
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## STANDARD FLOOD INSURANCE POLICY

PLEASE READ THE POLICY CAREFULLY. THE FLOOD INSURANCE PROVIDED IS SUBJECT TO LIMITATIONS, RESTRICTIONS, AND EXCLUSIONS.

### THIS POLICY PROVIDES COVERAGE FOR:

1. ALL COMMERCIAL BUILDINGS;
2. EXCEPT FOR PERSONAL PROPERTY COVERAGE, A NON-CONDOMINIUM RESIDENTIAL BUILDING DESIGNED FOR PRINCIPAL USE AS A DWELLING PLACE; AND
2. EXCEPT FOR PERSONAL PROPERTY COVERAGE, A UNIT IN A CONDOMINIUM BUILDING.

### I. AGREEMENT

The Federal Emergency Management Agency (FEMA) provides flood insurance under the terms of the National Flood Insurance Act of 1968 and its amendments, and Title 44 of the Code of Federal Regulations (CFR).

2. Comply with all terms and conditions of this policy; and
3. Have furnished accurate information and statements.

We will pay you for **direct physical loss by or from flood** to your insured property if you:

We have the right to review the information you give us at any time and to revise your policy based on our review.

1. Have paid the correct premium;

### II. DEFINITIONS

**A.** In this policy, "you" and "your" refer to the insured(s) shown on the Declarations Page of this policy. "Insured(s)" includes: Any mortgagee and loss payee named in the Application and Declarations Page, as well as any other mortgagee or loss payee determined to exist at the time of loss in the order of precedence. "We," "us," and "our" refer to the insurer. Some definitions are complex because they are provided as they appear in the law or regulations, or result from court cases. The precise definitions are intended to protect you.

**2.** Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined in A.1.a. above.

**B.** The following are the other key definitions that we use in this policy:

**1.** Act. The National Flood Insurance Act of 1968 and any amendments to it.

**2. Actual Cash Value.** The cost to replace an insured item of property at the time of loss, less the value of its physical depreciation.

**3. Application.** The statement made and signed by you or your agent in applying for this policy. The application gives information we use to determine the eligibility of the risk, the kind of policy to be issued, and the correct premium payment. The application is part of this flood insurance policy. For us to issue you a policy, the correct premium payment must accompany the application.

**Flood**, as used in this flood insurance policy, means:

1. A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (at least one of which is your property) from:
  - a. Overflow of inland or tidal waters;
  - b. Unusual and rapid accumulation or runoff of surface waters from any source;
  - c. Mudflow.

